

MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting
Lansing, Michigan
July 22, 2015

Pursuant to Section 31 of Act 327 of the Public Acts of 1945, the Commissioners of the Michigan Aeronautics Commission, created by said act, met at the Aeronautics Building, 2700 Port Lansing Road, Lansing, Michigan, on Wednesday, July 22, 2015, commencing at the hour of approximately 10:00 a.m.

Members Present

Roger Salo, Chairman
Rick Fiddler, Vice Chairman
Russ Kavalhuna, Commissioner
J. David VanderVeen, Commissioner
Pete Kamarainen, Commissioner
Laura Mester, Designee – MDOT
Capt. Mike Caldwell, Designee – MSP
BG Len Isabelle, Designee – MDMVA
Mike Trout, Director

Staff Present

Neal Barncard
Kelly Crannell
Jennifer Forbes
Mark Grennell
Rick Hammond
Leanne Hengesbach
Tom Krashen
Chip Kraus
Roger Mawhorter
Pauline Misjak
Brigitte Pricco
Ralph Sims
Betsy Steudle
Anu Taneja
Mary Kay Trierweiler

Members Absent

David Brickey, Legal Counsel
Kevin Jacobs, Designee-MDNR

Also Present

Bryan Budds, Aircraft Owners and Pilots Association
Ron Engel, Mead & Hunt
George Eyster, Michigan Private Airstrip Owners Association
Michael Frezell, MDOT, Office of Communications
Capt. Joe Gasper, Designee-MSP
Kelly Jost, C&S Engineers, Inc.
Jim Koslosky, Prein&Newhof
Ron Ludema, West Michigan Regional Airport
Kent Maurer, Jackson County-Reynolds Field
Dave McKenzie, Michigan Private Airstrip Owners Association
John Strehl, Antrim County Airport
Mary Waddell, Attorney General's Office
Steve Wellman, Jackson County-Reynolds Field
Steve Zelle, Michigan Private Airstrip Owners Association



I. OPENING REMARKS

The July 22, 2015 Michigan Aeronautics Commission (Commission) Meeting was called to order by Chairman Roger Salo at 10:00 a.m.

Chairman Salo welcomed all those present. He asked everyone to rise, and the Pledge of Allegiance was cited.

Roll call was taken by Brigitte Pricco. Commissioner Kevin Jacobs and David Brickey of the Attorney General's Office were absent. Mary Waddell from the Attorney General's Office, was present on behalf of David Brickey.

II. COMMISSION BUSINESS

- A. Chairman Salo asked if there were any revisions to the minutes of the meeting held on May 13, 2015. There were none. He entertained a motion and support to approve the minutes. The motion was moved by Commissioner Dave VanderVeen and supported by Commissioner Pete Kamarainen to approve the minutes as written. **All voted in favor.**

- B. Chairman Salo read the process for the election of Chairman and Vice Chairman for the next year.

In accordance with the Michigan Aeronautics Commission Bylaws, Article IV, Sections 4.1 and 4.4, Chairman Salo hereby appointed Commissioner Pete Kamarainen to serve with him as the nominating committee to recommend to the Commission, at the September 16, 2015 meeting, the persons for consideration for election to the Commission Chair and Vice Chair for 2015/2016. No motion is required for this action.

- C. Request for Approval and Transfer of Appropriated Funds

Chairman Salo asked Betsy Steudle to present the following Airport Sponsor Contracts. Ms. Steudle explained the grants and contracts.

- Airport Sponsor Contracts
 1. Gratiot Community Airport, Alma
 2. Gratiot Community Airport, Alma
 3. Alpena County Regional Airport, Alpena
 4. Alpena County Regional Airport, Alpena
 5. Huron County Memorial Airport, Bad Axe
 6. W. K. Kellogg Airport, Battle Creek
 7. Beaver Island Airport, Beaver Island
 8. Antrim County Airport, Bellaire
 9. Roben – Hood Airport, Big Rapids
 10. Tuscola Area Airport, Caro
 11. Charlevoix Municipal Airport, Charlevoix



12. Charlevoix Municipal Airport, Charlevoix
13. Charlevoix Municipal Airport, Charlevoix
14. Cheboygan County Airport, Cheboygan
15. Delta County Airport, Escanaba
16. Delta County Airport, Escanaba
17. Delta County Airport, Escanaba
18. Evart Municipal Airport, Evart
19. Bishop International Airport, Flint
20. Bishop International Airport, Flint
21. Bishop International Airport, Flint
22. Bishop International Airport, Flint
23. Hastings City/Barry County Airport, Hastings
24. West Michigan Regional Airport, Holland
25. West Michigan Regional Airport, Holland
26. West Michigan Regional Airport, Holland
27. West Michigan Regional Airport, Holland
28. Livingston County-Spencer J. Hardy, Howell
29. Livingston County-Spencer J. Hardy, Howell
30. Livingston County-Spencer J. Hardy, Howell
31. Ionia County Airport, Ionia
32. Jackson County – Reynolds Field, Jackson
33. Jackson County – Reynolds Field, Jackson
34. Mackinac Island Airport, Mackinac Island
35. Sawyer International, Marquette
36. Sawyer International, Marquette
37. Brooks Field, Marshall
38. Brooks Field, Marshall
39. Jack Barstow Airport, Midland
40. Luce County Airport, Newberry
41. Mackinac County Airport, Saint Ignace
42. Mackinac County Airport, Saint Ignace
43. Sebewaing Township Airport, Sebewaing
44. South Haven Area Regional, South Haven
45. Cherry Capital Airport, Traverse City
46. Cherry Capital Airport, Traverse City
47. Oakland/Troy Airport, Troy
48. Oakland/Troy Airport, Troy
49. West Branch Community Airport, West Branch
50. West Branch Community Airport, West Branch

- Air Service Program Grant

Supplemental Transfer Requiring Action

51. Chippewa County International Airport, Sault Ste. Marie
52. Detroit Metro-Wayne County Airport, Detroit
53. Detroit Metro-Wayne County Airport, Detroit



- 54. Detroit Metro-Wayne County Airport, Detroit
- 55. MBS International Airport, Saginaw
- 56. MBS International Airport, Saginaw
- 57. Chippewa County International Airport, Sault Ste. Marie

Chairman Salo asked if there were any further comments or questions. Commissioner VanderVeen stated that with \$48 million worth of work for 35 airports, how much of this will be done this year. Ms. Steudle stated it is anticipated that most of the projects will begin this year. Jackson's phase one depends on when the Federal Discretionary Grant is received. Jackson's second phase is estimated to be completed in 2017.

Commissioner VanderVeen stated that he would like to abstain from voting on the Oakland/Troy Airport, Troy, due to a potential conflict of interest that was granted by the Chairman.

Chairman Salo entertained a motion and support to approve item Nos. 1-57, Airport Sponsor Contracts and Airport Service Program Grant. The motion was moved by Commissioner Rick Fiddler and supported by Commissioner Len Isabelle to approve the contracts. **All voted in favor, with Commissioner VanderVeen abstaining from Nos. 47 and 48.**

Ms. Steudle presented four supplemental transfers: Brooks Field, Marshall; Ontonagon County Airport – Schuster Field, Ontonagon; Jackson County – Reynolds Field, Jackson; and Price's Airport, Linden. She explained the process for the supplemental transfers. **No Commission action is required.**

A complete list of the contracts can be viewed in full at www.michigan.gov/aero. Under QuickLinks, select "Michigan Aeronautics Commission" and then "Contract Approvals."

D. Loan Requests for South Haven Area Regional Airport and Hillsdale Municipal Airport.

Ms. Steudle also presented the loan requests. One is for South Haven Regional Airport, \$100,000 to purchase snow removal equipment. The other is for Hillsdale Municipal Airport, also requesting \$100,000 to be used towards construction of the parallel taxiway phase one to runway 10/28 and a new entrance road.

Chairman Salo asked if there were any further comments or questions. Hearing none, he entertained a motion and support to approve the loan requests for South Haven Area Regional Airport and Hillsdale Municipal Airport. The motion was moved by Commissioner VanderVeen and supported by Commissioner Kamarainen to approve the loans. **All voted in favor.**

Chairman Salo thanked Ms. Steudle for her reports.



E. Menominee – Marinette Twin County Airport Board Dissolution Agreement.

Chairman Salo asked Rick Hammond to provide information on the dissolution agreement. Mr. Hammond began his report by stating that he is seeking the Commission's endorsement of an action being taken by the Twin County Airport Board in Menominee, Michigan. Their action would dissolve the Twin County Board and return full sponsorship and ownership of the airport to Menominee County, Michigan. Menominee and Marinette Counties have been working cooperatively together for several years. In the past, Marinette County (Wisconsin) has requested to leave the joint operating board, and Menominee County objected because of the financial burden associated with that, and MDOT-Aeronautics supported Menominee County. This time both counties agreed this is mutually beneficial. Menominee County has money in the budget to continue to operate the airport. The Federal Aviation Administration (FAA) has asked the Commission to endorse this as well.

Chairman Salo asked if there were any further comments or questions. Hearing none, he entertained a motion and support to approve the Menominee – Marinette Twin County Airport Board Dissolution Agreement as reported. The motion was moved by Commissioner VanderVeen and supported by Commissioner Russ Kavalhuna to approve the agreement. **All voted in favor.**

Chairman Salo thanked Mr. Hammond for his report.

III. REPORTS

A. MAC Director's Report

Chairman Salo asked Director Mike Trout to give his report.

Director Trout began by updating the Commission with the policy clarification from FAA regarding its Revenue Use Policy. Efforts are underway to evaluate an approach to take in terms of the policy on state and local taxes assessed on aviation fuel. The policy clarification has been identified with the date of December 30, 1987, as the cut off and any tax in place before that will be grandfathered and not subject to the policy. The proceeds of these taxes are to support state airport systems and programs in local communities.

Director Trout discussed the FY16 Appropriation emphasizing the continued need for stable and predictable revenue as a key to implementing Aeronautics programs. He highlighted legislation aimed at addressing this need. He also shared some notable statistics regarding aviation fuel taxes, tall structure permits, and utilization of state aircraft.

Director Trout thanked Captain Caldwell, Michigan Department of State Police, for all of his service and welcomed his replacement Captain Joe Gasper.



The MAAE conference is in September at the Crystal Mountain Resort in Thompsonville, Michigan and the next Michigan Aeronautics Commission meeting will be on the 16th, during the conference.

Director Trout recognized employees receiving state service awards: Tera Fricke, Roger Mawhorter, and Linn Smith. He also recognized longtime pilot and Aeronautics employee, Tom Krashen, who is retiring after 24 years of service. Director Trout thanked Tom for all of his hard work and dedication.

Chairman Salo thanked Director Trout for his report.

Director Trout's report can be viewed in full at www.michigan.gov/aero. Under QuickLinks, select "Michigan Aeronautics Commission" and then "Director's Reports."

- B. Chairman Salo asked Commissioner Kamarainen to provide the General Aviation Committee report.

Commissioner Kamarainen reported an update based on the June 17th meeting of the General Aviation Committee. First order of business was the resignation of Karl Klimek. Commissioner Kamarainen stated that Karl was instrumental for putting on the Teacher's Workshop, he combined education and aviation and will be greatly missed. Karl will still be available to guide us at the next Teacher's Workshop, which will be held in May at the Livingston County Airport Howell, which Mark Johnson has graciously offered for the event.

Commissioner Kamarainen stated that the North Fox Island Airport has been surveyed, approved, and mowed. He explained that to mow the lawn they had to disassemble the mower, put it in a Skyhawk and flew it out there, then reassembled the mower to spend twelve hours mowing. Commissioner Kamarainen stated that the Recreational Aviation Foundation are good hardworking volunteers that have great "can do" attitudes. Brad Frederick was acknowledged as being instrumental in getting the airport opened. North Fox Island is an 843 acre island in Lake Michigan and has a 3,000 ft flat strip, it does not have cell service, it is just a relaxing atmosphere with hiking, camping, and fishing for recreation.

The next meeting will be in August, possibly at Western Michigan University or somewhere in the southeast part of Michigan. Director Trout had a question about career academies, physical location. Commissioner Kamarainen stated that aviation can be a career path now starting at the high school level in connection with the Crosswinds Aviation School in Howell.

Chairman Salo thanked Commissioner Kamarainen for his report.

- C. Chairman Salo asked Commissioner Kavalhuna to give his report on the Commercial Air Service Committee.



Commissioner Kavalhuna reported that his subcommittee has been working on a report to the full Commission and citizens of the aviation community in Michigan on strategies on air service structure and opportunities our citizens have. Commissioner Kavalhuna stated that working with the consultant contracted and with Aeronautics staff, he would like to make some changes and edits to the report. It is Commissioner Kavalhuna's hope that the report will be useful because of both the content and thoroughness. It is anticipated that a circulation of the report will be available to everyone before the September meeting. It will be a lengthy report, and he will give an executive summary at the meeting in November and then ask for Commission's edits, comments, or endorsement at the next meeting.

Chairman Salo thanked Commissioner Kavalhuna for his report.

IV. PRESENTATION

- A. Chairman Salo asked Mark Grennell to provide an update on the Michigan Aviation System Plan.

Mr. Grennell, Supervisor of the Project Support Unit, updated the Commission on the progress of updating the Michigan Aviation System Plan (MASP), which is slated for completion by the end of 2016. He reported that the document currently in use was developed in 2000 and updated in 2008. The document is available on the Aeronautics website. Mark Noel is responsible for the new update, and Mark Grennell stated that he will be coordinating on Mark Noel's behalf. A few improvements will be made to the updated manual by taking what is there and adding to it, not re-inventing the 2008 document.

In conjunction with the MASP update, Aeronautics is looking to develop a Michigan Aviation Economic Impact Study to measure both the direct and indirect economic impacts of individual airports. A statewide report will also be generated utilizing the results of the individual airports.

V. COMMISSIONER COMMENTS

Chairman Salo asked if any of the commissioners would like to make a comment.

Commissioner Mike Caldwell stated that with regard to the allegations from John Ewing towards Brighton Township Officials and the Airport Authority, the lengthy investigation has found that no criminal violations were found and formally closes out that issue with this Commission.

Commissioner Caldwell introduced his replacement, Captain Joe Gasper. He stated that Capt. Gasper comes from the Special Operations Division and oversees three main areas within the department, which includes the Field Support and Aviation Section, Executive Protection Section, and State Security Operations Section.



Captain Gasper has been with the Michigan State Police for 17 years and resides in Grand Rapids with his wife and two children.

Commissioner Caldwell thanked his fellow commissioners for their dedication and professionalism. He also congratulated Director Trout on running a top notch bureau stating that everyone he has had contact with has been polite, professional, and helpful to him.

Chairman Salo on behalf of the commissioners, thanked Commissioner Caldwell for his service and stated that he will be missed. He also welcomed Captain Joe Gasper and stated that they are looking forward to working with him.

Chairman Salo thanked the commissioners for their comments. There were no other comments.

VI. PUBLIC COMMENT

Chairman Salo asked if anyone would like to make a public comment.

Jim Koslosky, Senior Aviation Consultant with Prein&Newhof, stated that he found it interesting about the dissolution of the Menominee-Marquette Twin County Airport Board, as he was involved in combining the aviation interests of the two counties when he was employed with Wisconsin DOT. Jim Koslosky gave some history as to how the collaboration started between the two counties back in 1975.


CLOSING

The next Michigan Aeronautics Commission meeting is scheduled for Wednesday, September 16, 2015, 10:30 a.m., at Crystal Mountain, Thompsonville, Michigan. The meeting will take place during the Michigan Association of Airport Executives Fall Conference.

The meeting was adjourned at 11:25 a.m.



Roger Salo, Chairman



Michael G. Trout, Director

Dated: 9-16-15